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A.E.C. Chief to Replace Helms as C.I.A. Director

Schlesinger, 43, Chosen
—Intelligence Official
to Be Envoy to Iran

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Special to The New York Times

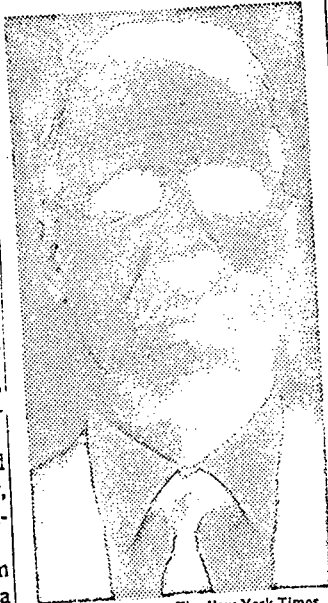
KEY BISCAWAYNE, Fla., Dec. 21 —President Nixon said today that he would nominate James R. Schlesinger, who is chairman of the Atomic Energy Commission, to be Director of Central Intelligence.

He said also that he would nominate the current director, Richard Helms, to be Ambassador to Iran.

Mr. Helms's departure from the C.I.A. was described as a retirement, consistent with his feeling that he, like other C.I.A. officials, should retire at age 60. He will be 60 in March. There had been rumors that Mr. Helms was being forced out of his job.

The White House took pains to affirm the President's appreciation for Mr. Helms's 30 years of public service and for the fact that it will continue. At the same time, the departure from the C.I.A. is touched with symbolic overtones.

In the opinion of knowledgeable officials, it means the end of an era of professional intelligence operatives and the beginning of an era of systems management. Mr. Helms, who



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James R. Schlesinger

once interviewed Hitler, as a reporter, epitomizes a generation that developed its expertise during World War II and subsequently helped to create the C.I.A. When appointed in June, 1966, he was the first careerist to become D.C.I.—Director of Central Intelligence.

Mr. Schlesinger, by contrast, is a 43-year-old economist and political scientist schooled in strategic studies, systems analysis, and defense spending. The author of a detailed report on the intelligence community for

A.E.C. Chairman Will Replace Helms as Intelligence Director

Continued From Col. 1, Page 7

Mr. Nixon last year, he is expected to take over at the C.I.A. as soon as he is confirmed by the Senate.

Both the Helms and Schlesinger appointments had been forecast.

No successor was named to the A.E.C. chairmanship, which Mr. Schlesinger has held since August, 1971. Before that he had been with the Office of Management and Budget, concentrating on national security and international affairs.

Cost Issue Noted

That experience, coupled with the Administration's apparent interest in the cost and redundancy of intelligence programs, led a close student of C.I.A. to suggest today that what Mr. Nixon now wanted was "more cloak for the buck."

Details about "the agency," as the C.I.A. is known in the Government, are classified. But it is thought to have a budget of more than \$750-million a year and more than 10,000 employees. Most are involved in intelligence—technical assessment, analysis and estimates.

A "plans division" conducts clandestine operations, such as the abortive Bay of Pigs invasion of Cuba in 1961. Mr. Helms once directed this division, but not at the time of the Cuban invasion.

His new assignment is to a country whose leader was strongly assisted, according to wide belief, by a clandestine C.I.A. operation in 1953. The agency was reputed to have had a role in the overthrow of Mohammed Mossadegh, then premier, permitting the Shah of Iran to reassert his control.

If confirmed by the Senate, Mr. Helms will succeed Joseph S. Farland, who has been Ambassador to Iran since May. The White House said today

that he would return to Washington and be reassigned to another post.

According to a private source, the outgoing Deputy Secretary of State, John N. Irwin, is Mr. Nixon's choice to become Ambassador to France. The position has been vacant since the departure in early November of Arthur K. Watson, who is Mr. Irwin's brother-in-law.

In the first news briefing of the President's week-long Christmas trip here, Ronald L. Ziegler, the White House press secretary, also dealt with the following appointments topics:

Mr. Nixon has accepted "with very special regret" the resignation of David M. Abshire as Assistant Secretary of State for Congressional Relations. Mr. Abshire will become chairman of the Georgetown University Center for Strategic and International Studies on Jan. 9.

Speculation about the directorship of the Federal Bureau of Investigation should be discounted for the time being Mr. Ziegler said. One newspaper has reported that Acting Director L. Patrick Gray will be formally nominated, another has said he would not be, and a third has been in between, Mr. Ziegler said. The fact is, he continued, that no decision has been made.

Another vacancy arose in Washington today with the resignation of John P. Olsson after 20 months as deputy under secretary of transportation to return to private business.

Mr. Helms's new position comes after 30 years in intelligence work. After graduation from Williams College, he became a United Press correspondent in Germany from 1935 to 1937. Until 1942, when he was commissioned as a Navy officer, he was in newspaper advertising.

Continued on Page 13, Column 2

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